

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

301 State House
(317) 232-9855

FISCAL IMPACT STATEMENT

LS 7611

BILL NUMBER: SB 361

DATE PREPARED: Feb 12, 2001

BILL AMENDED: Feb 12, 2001

SUBJECT: State Contract Approvals.

FISCAL ANALYST: John Parkey

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FUNDS AFFECTED: X **GENERAL**
DEDICATED
FEDERAL

IMPACT: State

Summary of Legislation: (Amended) This bill repeals the requirement that the governor or the governor's designee approve state contracts for the acquisition of real property. The bill provides that the Director of the Budget Agency is not required to approve a contract for public works if the estimated cost of the contract is less than \$100,000.

Effective Date: July 1, 2001.

Explanation of State Expenditures: (Revised) This proposal removes the state agency heads and the governor as signatories to state contracts. The bill also provides that the Director of the State Budget Agency is not required to approve a contract for certain public works projects if the contract is estimated to cost less than \$100,000. (Under current law, the threshold is \$25,000.) The elimination of these signatories would reduce the amount of time it takes for contracts to be approved, potentially making the contracting process more efficient.

Explanation of State Revenues:

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected: Department of Administration; State Agencies; Budget Agency; Governor's Office.

Local Agencies Affected:

Information Sources: Jay McQueen, Department of Administration, (317) 232-7636